

PAC-106

**COMMITTEE ON PUBLIC ACCOUNTS
(2003-2006)**

**HUNDRED AND SIXTH REPORT
(ELEVENTH ASSEMBLY)**



**Report of the Committee on Public Accounts on the Reports
of the Comptroller and Auditor General of India (Civil)
for the years 1985-86, 1986-87, 1989-90, 1990-91,
1994-95 and 1995-96 relating to Education
(Higher & Technical) and Health &
Family Welfare Departments,
Government of Assam.**

Presented before the House on 8th February, 2006

Assam Legislative Assembly Secretariat,
Dispur, Guwahati-6.

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(i)

**COMPOSITION OF THE COMMITTEE
(2003 - 2006)**

Chairperson :

1. Smti. Pramila Rani Brahma

Members :

2. Shri Dilip Kumar Saikia
3. Dr. Zoi Nath Sarmah
4. Shri Gautam Bora
5. Shri Ajit Singh
6. Shri Bidya Singh Engleng
7. Shri Dilder Rezza
8. Shri Gopi Nath Das
9. Shri Dharamsing Teron
10. Shri Biswajit Daimary
11. Shri Bimolangshu Roy
12. Shri Chandan Kumar Sarkar
13. Shri Sarat Saikia

Secretariat :

1. Shri G. P. Das, Secretary
2. Shri S. Deka, Joint Secretary
3. Shri B. Basumatary, Deputy Secretary
4. Shri Khalilur Rahman, Committee Officer

(ii)
PREFATORY REMARKS

I, Smti.Pramila Rani Brahma, Chairperson, Committee on Public Accounts having been authorised to submit the Report on their behalf, present this Hundred and Sixth Report of the Committee on Public Accounts on the Audit paras contained in the Reports of the Comptroller and Auditor General of India (Civil) for the years 1985-86, 1986-87, 1989-90, 1990-91, 1994-95 and 1995-96 pertaining to Education (Higher & Technical) and Health & Family Welfare Departments, Government of Assam.

2. The Reports of the Comptroller and Auditor General of India (Civil) for the years 1985-86, 1986-87, 1989-90, 1990-91, 1994-95 and 1995-96 were presented to the House on 7-6-89, 5-10-90, 14-10-93, 11-4-94, 15-6-96 and 8-4-97.

3. The Reports as mentioned above relating to the Education (Higher & Technical) and Health & Family Welfare Departments were considered by the Sub-Committee 'B' of the Committee on Public Accounts under the Convenorship of Shri Dilip Kumar Saikia, MLA (as at Annexure-I) in their sitting held on 5-8-2005, 6-8-2005 and 29-8-2005. The Sub-Committee also adopted the draft Report in their meeting held on 3-1-06 for the consideration and approval by the main Committee.

4. The Committee has considered the Draft Report and Finalised the same in its sitting held on 6-1-06.

5. The Committee places on records their appreciations to the Sub-Committee 'B' for their strenuous works for obtaining various records, information and clarification pertaining to the Audit Paras relating to Education (Higher & Technical) and Health & Family Welfare Departments. The Committee also wishes thanks to the Departmental witness for their co-operation. The Committee also appreciates the Principal A.G (Audit), Assam and his Junior Officers for their valuable assistance. The Committee also pleased to offer thanks to the Secretary, Assam Legislative Assembly with his Officers and Staff of the Committee on Public Accounts branch for their valuable services rendered to the Committee.

6. The Committee earnestly hopes that the Government would implement the recommendations made in the Report.

Dispur :
The 6th January, 2006.

SMTI. PRAMILA RANI BRAHMA,
Chairperson,
Committee on Public Accounts.

REPORT OF THE
COMMISSIONER

I, Smith Prasad, being a person in charge of the Public Accounts Commission, have the honor to acknowledge the receipt of the report on the Public Accounts of the Government of India for the year 1952-53, and to state that the same has been placed before the Commission for its consideration. The report contains a detailed statement of the accounts and a statement of the expenditure incurred during the year. The Commission has examined the accounts and has found them to be correct and in accordance with the provisions of the Public Accounts Act, 1941. The Commission has also examined the statement of expenditure and has found it to be correct and in accordance with the provisions of the Public Accounts Act, 1941. The Commission has also examined the statement of the accounts and has found them to be correct and in accordance with the provisions of the Public Accounts Act, 1941.

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SMITH PRASAD, A HANDBOOK
Commissioner
Public Accounts Commission

1953

CHAPTER-I

Education (Higher & Technical) Department

Idle Outlay

(Audit para 3.11/CAG(Civil)/1985-86)

1.1 The audit has pointed out that a test-check of records of the Principal, Silchar Polytechnic (January 1986) disclosed that a boiler plant purchased for Rs. 0.71 lakh in May 1977 remained practically unutilised since the time of purchase as the steam engine which was to be energised by it was not purchased. Also, a petrol engine and one refrigerating plant, which were purchased by the Polytechnic in May 1981 at a cost of Rs. 0.67 lakh have not been utilised since the date of purchase. The Principal, Polytechnic stated (January 1986) that the machines were to be installed by the suppliers who had not done so. Some parts of these machines received broken at the time of delivery had not been replaced and others not supplied at all remained to be supplied even after five years of the delivery of the machine.

1.2 The department by their written reply has stated that the accounts of the Principal, Silchar Polytechnic for the period from 1-5-83 to 31-12-85 were audited during the period 16-1-86 to 21-1-86. The following persons held the charge of the post of Principal during that period (1) H. B. Sundaram, 1-5-83 to 31-7-83 (2) L.M. Das, 1-8-83 to 31-12-85. Wima Boiler was purchased on 18-5-77 at the cost of Rs. 70,610/and installed and put to use for the purpose of training in the heat engine laboratory. It has been intimated by Shri L. M. Das, the then Pincipal (since retired) that 'Wima Boiler' being "a compact self continued unit" for its operation no further attachment was necessary in any form. It has got its own system of producing steam for all function for its operation. As regard 'refrigerating plant' it was stated that the purchase of that plant was made on 9-5-81 at the cost of Rs. 33,800/- from M/s laboratory Equipments and Chemical, Calcutta duly approved by the Purchase Committee in 1980 and sanction was accorded by the Director of Technical Education, Assam and payment was allowed to the extent of 90% against despatch documents. On taking delivery some defects/short delivery were observed and the matter was taken up with the concerned firm. The firm declined to carry out the necessary replies but they requested us to carry out the installation and repairing by engaging local experts and the firm authorised to make payment out of the balance amount of 10% due to the firm. Accordingly, all difects were rectified and refrigerator plant was

commissioned with local arrangement within the balance amount of 10% (due to be firm) and it had been functioning properly after repairing. Accountant General has intimated on 30-3-92 that the inspection report for the period from May 83 to December, 85, in respect of paras 1, which was related to the above matters.

OBSERVATIONS/RECOMMENDATIONS

1.3 The Committee discussed the para in its meeting held on 6-8-2005 and 29-8-2005 in the Assembly Building at Dispur and decided to make Spot Visit at Silchar Polytechnic during the period of study tour to the districts of Barak Valley. Accordingly, the Committee arrived Silchar and visited the institution and found the machine not so in-order and functioning partly well. The Committee, therefore decided to drop the para with the suggestion that the authority of the institution should take steps to keep the premises of the institution clean to draw the attention of the students in their studies.

Idle outlay
(Audit para 3.15/CAG(Civil)/1986-87)

1.4 The audit has pointed out that a test-check of the records of the Prince of Wales Institute of Engineering and Technology, Jorhat revealed that 5 machines (machine press, centre lathe, shaping machine etc.) valuing Rs. 1.28 lakhs purchased during June 1979 to July 1983 had not been installed till the date of audit (May 1986) thus involving an idle outlay of Rs. 1.28 lakhs for more than 3 years. Government stated in January 1988 that through the installation of these machines had been delayed, training through these machines was being imparted to students. Government did not, however, specify the month in which the machines were installed. It was also not clarified how actual functioning of the machines could be demonstrated without installation. Final reply in the matter has not been received (December 1988).

1.5. The department by their written reply has stated that it is a fact that installation of the concerned machines was delayed as during the period from 1979-83, the situation in Assam did not permit for the company's personnel to come to Jorhat from outside Assam due to agitation and hence, the delay was unavoidable. However, the functioning and demonstration of the machine or importing training to students had been carried out with the help of faculty members. Machines were finally installed. The machines were installed during the year 1986 to 1987 (date of installation of each machine shown in POWI's letter dated 26-5-2005. During the period of audit from 22-5-86 to 28-5-86 Sri G. C. Sill held the post of Principal of Prince of Wales Institute, Jorhat. The inspection report of Audit relating to the above objection appears to have been finally closed by the A.G. Vide letter No. 10-11/3-11/86-87/1175 dated 12-11-94.

OBSERVATIONS/RECOMMENDATIONS

1.6. The Commissioner and Secretary to the Government of Assam, Higher and Technical Education has informed the Committee that he contacted the Principal and the replies of the Principal are that, it happen about 20 years ago, so they are unable to furnish the detailed report. Due to lack of relevant documents, they even could not furnish the Photo Copy to the Commissioner. So the department could not prepare the specific reply. Regarding present position of the machine, the Principal

will be able to furnish the report. The Committee, therefore recommends that the department should collect a report from the Principal and submit the same to the Committee within 30 days from the date of presentation of this report before the House.

Wasteful expenditure**(Audit para 3.9/CAG(Civil)/1989-90)**

1.7. The audit has pointed out that a test-check (January 1990) of the records of the Polytechnic revealed that the machine was found defective on its receipt in January 1985. In spite of protracted correspondence, the supplier did not set it right and the machine remained unutilised. As the machine was not serviceable, the Principal purchased (May 1989) another machine from a different firm at a cost of Rs. 0.89 lakh rendering the investment of Rs. 0.61 lakh on earlier machine infructuous.

1.8 The department by their written reply has stated that the plain paper copier (Gastener Model 2015) was purchased for the Dibrugarh Polytechnic inviting quotation and duly approved by the Purchase Committee in August' 1984 headed by Prof. D. Chaliha the then Director of Technical Education. During that time Shri H. B. Sundaram was the Principal of that Institute (1982-86). Machine was supplied on 31st January'85 by the firm. The warranty period was 90 days from the date of delivery. The term of supply was against full risk and responsibility and to rectify all the defects of machine by the suppliers. Machine was found defective, no worked properly. Therefore, the supplier was requested by the Principal for necessary rectification of deffects. Communication were made to supplier on 22-3-85, 28-6-85, 30-7-85 and 28-1-86 but the supplier did not turn up. However, M/S Gastener India Ltd. has been requested vide our letter dated 12-8-2005 to repair the machine & workable it. Second machine was purchased during the period of Shri M. N. Dutta, Principal, Dibrugarh Polytechnic (1987-91) and procured in March, 1989 on the following ground. (i) The first one failed to work and the supplier did not turn up for repairing. (ii) Second machine was purchased because in the surrounding of the institute there was no other such Xerox facilities at that time. Moreover, during that period, due to urgent need of examination works it was unmanageable for the Principal for the academic activities smoothly without the plain copier besides other urgent works.

OBSERVATIONS/RECOMMENDATIONS

1.9. The Committee discussed the para thoroughly and observes that the then Principal of the Dibrugarh Polytechnic was responsible in purchasing the defective machine. Since the case was happened 20 years ago, so there are some problems to fix responsibility on the case of 20

years back without any charge. Therefore, the Committee decided to drop the para with the instruction that the Government should serve notices to all the Principals of Polytechnic/Engineering Colleges to be more careful in future so that such lapses may not be occurred in future.

Non-utilisation of grant
(Audit para 3.14/CAG(Civil)/1990-91)

1.10 The audit has pointed out that Government of India released Rs. 10 lakhs in 1985-86 to Silchar Polytechnic as non-recurring grant for promoting Community Rural Development on scientific lines but of the grant received Rs. 5.55 lakhs could not be utilised as of August 1991 due to non-selection of rural centres for imparting training. Non-utilisation of grants for over four years frustrated the purpose for which the grant was given.

1.11 The department by their written reply has stated that from the report furnished by Shri N. R. Choudhury, Principal, Silchar Polytechnic that Government of India sanctioned an amount of Rs. 11.25 lakh (Rs. 5.00 lakh seed money + Rs. 5.00 lakh (TE) + Rs. 1.25 lakh recurring grant) on 29th March '86. All these amounts had been deposited at New Silchar Sub-Treasury vide Challan No. 773 dated. 4th August '86. Out of the total sanctioned amount of Rs. 11.25 lakhs, Rs. 5.55 lakhs could not be utilised due to non-receipt of L.O.C.

OBSERVATIONS/RECOMMENDATIONS

1.12 The Committee heard the deposition of the departmental representatives and observes that due to non-release of fund by the Finance Department, the scheme could not be implemented. Therefore, the Committee recommends that the Government in Finance Department should take measures immediately to release the remaining amount to the Principal, Silchar Polytechnic, so that they could implement the scheme shortly.

**Locking up of Central assistance
(Audit para 3.14/CAG(Civil)/1994-95)**

1.13 The audit has pointed out that a test-check of the records of the Principal, AEC in October 1994 and further information furnished by the College in June 1995 and July 1995 to audit disclosed that according to the direction of the Government grants amounting to Rs. 134.00 lakhs pertaining to 1983-84 to 1992-93 out of Rs. 142.00 lakhs were deposited into Government account by the Principal immediately after receipt. The remaining amount of Rs. 8.00 lakhs received in 1993-94 was however, irregularly credited to the Personal Ledger (PL) Account operated in the treasury relating to caution money of science students Rs. 7.36 lakhs was withdrawn from the PL Account by the Principal in 1993-94 and utilised for the purpose for which grant was provided for of the Rs. 134.00 lakhs, Government released Rs. 77.18 lakhs to the Principal through letter of credit system during 1983-84 to 1993-94. The balance amount of Rs. 56.82 lakhs was retained by the Government for the periods ranging from 2 to 10 years as of June 1995 without assigning any reason. Due to non-release of this amount by the Government in time 17 of the 20 components were only partially implemented by the Principal. As a result, adequate facilities of advanced training in different fields could not be provided to students. The Principal also stated that inordinate delay in release of Rs. 56.82 lakhs has adversely effected the implementation of programme besides escalation of prices. The retention of amount by the State Government resulted in locking up of Central assistance besides non-achievement of the desired objective.

1.14 The department by their written reply has stated that out of 142.00 lakhs released by Government of India as Central grant during 1983-84 to 1993-94 for implementation of 20 components, Rs. 8.00 lakhs was deposited in the P. L. account by the Principal, Assam Engineering College. And the Remaining 134.00 lakhs was deposited in Civil deposit by Treasury Challans. Out of that 134.00 lakhs Government released 77.18 lakhs through L.O.C. hence there remained only Rs. 56.82 lakhs which was yet to be released due to inclusion of L.O.C. system of the DCA fund introduced at that period. Education (CTM) requested Finance Department in March, 1995 for release of the said amount for Assam Engineering College. But Finance Department did not agree for exemption of DCA fund from the purview of ceiling. But they have agreed for

withdrawal of amount and advised to move A.G for drawal of the fund from "Head of Account 160 Grants-in-aid as deduct refund", Education (CTM) Department accordingly requested A.G. to issue authorisation clearance vide letter No.TEC.12/93/6, dated 24th July '95 but no reply from A.G. has since been received. A remainder was also issued to A.G. Assam vide No. TEC.12/93/37, dated 20th October 2000 but no response have been received from A.G. till date. However matter will be take up with Finance (Bt) Department for release of the said amount.

OBSERVATIONS/RECOMMENDATIONS

1.15 The Committee having heard the deposition of the departmental representatives, observes that the department did not comply with the procedure. The Committee fails to understand why the amount was kept in PL Account and what was the necessity for opening PL Account. The Committee, therefore recommends that a detail report may be submitted to the Committee within 15 days from the date of presentation of this report before the House with a copy to the Principal Accountant General (Audit), Assam, Maidamgaon, Guwahati-29.

Shortage of cash due to defective cash management

(Audit para 3.4/CAG(Civil)/1995-96)

1.16 The audit has pointed out that after scrutiny (in October and November 1995) of records of the Principal Jorhat Engineering College (JEC) revealed that the cash book had not been signed and closed since 10 February 1995. However, at the instance of audit the entries in the cash book were signed and it was closed upto September 1995 but physical verification of cash and analysis of closing balance had not been carried out during August 1994 to September 1995 for which reasons were not stated. A statement of cash balance furnished (October 1995) by the Principal indicated that against the closing balance of Rs. 3.39 lakhs as of September 1995 there was a shortage of cash amounting to Rs. 2.68 lakhs. Shortage was also investigated by a Committee constituted (May 1996) by the Principal which confirmed the figure. Violation of prescribed rules thus facilitated the shortage of cash amounting to Rs. 2.68 lakhs as of September 1995. Further action to fix responsibility on the errant official and to recover the loss was yet to be taken (May 1996).

1.17 The department by their written reply has stated that one Shri Joy Ram Bora, L.D.A. of the office of Jorhat Engineering College was appointed by Principal, Jorhat Engineering College in January, 1974 to act as L.D.A. cum cashier with responsibility for maintenance of cash book & relevant accounts and safe custody of money & monetary transaction. He was subsequently promoted to UDA but retained incharge of cash out his responsibility & nature did not change after promotion. Since the shortage of cash to the tune of Rs. 2.68 lakhs was caused during the charge of Sri Bora at cash. A report submitted by the Principal, Jorhat Engineering College states that physical verification of cash was not done since August, 1994 in the tenure of Dr. P. C. Sarma, the then Principal, Jorhat Engineering College, he was placed under suspension with effect from 14th December 1995 and a C. R. case No.1394/95-State-VS-Joy Ram Bora was filed before the Court of Judicial Magistrate, Jorhat. The Court has acquitted Shri Bora with the findings that there was no material on record to pin point the extent of job entrusted with the accused.

OBSERVATIONS/RECOMMENDATIONS

1.18 The Committee observes that it was happen due to ineffective handling of cash by the officer and the Principal of the Institution. In cashmanagement, there is a rules and it should be followed properly. The Committee, therefore decided to drop the para with the stricture that the Government in Education Department should issue instructions to all concerned that the orders of the Finance department for financial discipline should be maintained properly so that such lapses do not recur in future.

Health and Family Welfare Department

Unproductive expenditure on procurement of X-Ray machine/
chemetrics analyser

(Audit para 3.12/CAG(Civil)/1995-96)

2.1 The audit has pointed out that a test-check (December 1995) of the records of the Joint Director of Health Services, Kokrajhar revealed that the machine at Kachugaon remained inoperative since its installation for want of 3 phase power line to be provided by the PWD Electrical Division, Guwahati. The machine installed in the Dotoma CHC also went out of order in March 1991 due to development of certain technical defects and was still to be repaired (March 1996). Barring a reference in October 1995 to the Joint Director of Health Services (Technical), Guwahati who was responsible for rectifying the defects (including replacement of parts wherever necessary of all departmental machines. Record was not produced to audit to indicate that the Joint Director of Health Services, kokrajhar had taken any effective steps to make the two X-Ray machine operational. The radiograph posted in Dotoma CHC remained idle from the date of his appointment in April 1991 to date (March 1996) i.e. for over five years. The radiographer posted in Kachugaon in June 1991 also remained without work at Kachugaon till September 1993 when he was transferred to Gossaigaon Civil Hospital as an additional hand although no post of additional radiographer was sanctioned in the Civil Hospital. Non-functioning of X-Ray machines in the two CHCs for five to over eight years deprived the people of the areas of better treatment facilities and the expenditure of Rs. 2.06 lakhs being the cost of the machines proved largely unproductive. Besides nugatory expenditure of Rs. 2.10 lakhs was incurred on pay and allowances of radiographers.

(b) Director of Health Service (DHS) Assam purchased 5 X-Ray machines from a private company at a cost of Rs.5.15 lakhs (September 1974 -1 machine and during January 1987 to November 1989 -4 machines) for installation in a Civil Hospital (2) and in three Community Health Centre (one machine each) at Mangaldoi. Five radiographers were posted till December 1988 against these 5 X-Ray machines. Test-check (March 1994 and February 1996) of the records of the Joint Director of Health Services (Jt. DHS) Mangaldoi revealed that the 5 X-Ray machines had not been operated since September 1992 because X-Ray film were not

being indented from Joint DHS Mangaldoi. Moreover, fixer and developer required for X-Ray was not being purchased by the Joint DHS, Mangaldoi as films were not indented. The Joint DHS stated (June 1995) that the services of 5 radiographers appointed against the sanctioned posts had been utilised in others health institutions as additional hands where X-Ray machines were installed, but had not specified the institutions where their services had been utilised. Orders or allotment of works assigned to them as additional hands were not shown to audit. Failure of the Department since September, 1992 to make the five X-Ray machines operational resulted in unproductive expenditure of Rs. 5.81 lakhs on payment of salaries to 5 radiographers as of March 1996. In addition, it resulted in denial of services to patients in need of X-Ray facilities in the district (as of March 1996).

(c) Test-check (April-May 1995) of the records of the Principal, Silchar Medical College (SMC), Silchar revealed that a USA made Chemetrics Analyser-I with Autodilutor was purchased (July 1988) at a cost of Rs. 5.52 lakhs from a Boroda based Indian distributor (a company) for Bio-chemical investigation in the department of Pathology, SMC, Silchar. The equipment was installed by a technician of the distributor on 30 November, 1989. As per terms and condition of purchase of the equipment, the distributor was to impart training to the technical personnel of the department of Pathology for safe handling of the machine. No such training was imparted. The warranty of the machine was valid upto 30 November 1990. The Analyser went out of order from May 1991 due to technical defects. The College Authority intimated (May 1991) the distributor for rectification of defects. As the warranty period of the machine had already expired, the distributor demanded advance payment of Rs. 6256 towards travelling expences and incidental charges of their Service Engineer for inspection of the defective equipment. The Principal, Silchar Medical College submitted (August 1992) a proposal to the Director Medical Education (DME) Assam for sanction of the same. The amount had not been sanctioned as of March 1996. The release of full payment to the distributor before fulfilment of condition relating to training and not rectifying the defects of the equipment resulted in expenditure of Rs. 5.52 lakhs on purchase and installation of chemetrics analyser largely unproductive beside depriving the students and the patients of the College of bio-chemical investigations for a period of about 5 years as of March 1996.

(d) Test-check (November 1995) of the records of the Joint Director of Health Services (Jt. DHS) North Lakhimpur and the Medical and Health Officer-I Ghilamara revealed that the X-Ray machine could not be operated even after 3 years of its installation for want of power connection. The Joint Director DHS stated (July 1996) that payment was made to Assam State Electricity Board in September 1990 for installation of 63 KVA sub-station at CHC but power connection was not given by the Board due to non-payment of bill by PWD Electrical Division, Tezpur for providing High transmission line. The Joint DHS had not referred the matter to the Government/ Department for taking up the issue with the Board at Government level. No alternative arrangement was also for operation the X-Ray machine even as of June 1998. Thus, non functioning of the X-Ray machine due to departmental lapses resulted in unproductive expenditure of Rs. 1.97 lakhs since August 1992.

2.2. The Department in their written reply has stated that (a) both the Kochugaon and Dotoma CHC were visited by an officer in the rank of Joint DHS from H.Q. to know the factual position. Kochugaon CHC - Due to ethnic violence occurred during 1993-94, the building of Kochugaon CHC was badly damaged. The campus including the building was occupied by Army. Hence, the X-Ray machine including other valued articles were shifted to Gossaigaon CHC for safe custody. In view of the above, only OPD wing is rendering services and emergency cases are being treated without overnight stay. The Radiographer was deputed to Gossaigaon CHC in Sept. '93 to utilize his service. Dotoma CHC- The X-Ray machine were found in working condition during the visit of Joint DHS. There are two X-Ray machines. One was installed 1987 and the other was installed in 2001. The X-Ray machine installed earlier went out of order in latter stage and that was no-functioning since 1993. The other machine installed in 2001 is working smoothly to serve the people with Radiographer. The DHS, Assam is fully seized of this problem arising out of non-functioning of some equipments and he has preparing a plan for Annual Maintenance Contract of such equipments by a reputed firm. (b) DHS, Assam supplied 5 X-Ray machines to Joint DHS Darrang which were installed at Mangaldoi Civil Hospital, Deomorno PHC, Udalguri PHC and Kharupetia CHC. As reported by Joint DHS, Darrang the X-Ray machine installed in Mangaldoi CH is running smoothly. Three phase electric line connection is restored in Udalguri and Deomorno PHC for want of which the X-Ray machine could not be started. Now the X-Ray machine are running smoothly on restoration of three phase electric

connection. The X-Ray machine installed in Kharupetia CHC recently become out of order due to some technical error. The X-Ray machine of Kharupetia CHC, Tangla CHC, Udalguri PHC and Mangaldoi CH are included in the Annual Maintenance Contract with Seimen's Ltd. to maintain regular functioning of the equipments in public interest. Steps has already been taken to restore the functioning of the defective X-Ray machine at Kharupetia and expected to be in working condition soon. Now repairing and maintenance of hospital properties will be looked into by Hospital Management Society. (c) The machine was installed in July, 1988 in the Pathology Department of S.M.C, Silchar and it was functioning more than a year i.e. the whole warranty period'after that it become out of order. A technical snag was developed after the expiry of warranty period. Several correspondences were made to the supplier. The supplier in turns express that their Principal has discontinued the product and spare parts are no longer available with them. After that other reputed companies like Ranbaxy, Nicholas Piramol, Casll Health Product Ltd. were contacted. They did not respond presumably because of the non-availability of the spare parts. To cope with such type of situation now we have been awarding contract for supply of machineries and equipments taking Annual Maintenance Contract and Comprehensive Annual Maintenance Contract as pre-condition of contract. (d) As per information provided by the Joint DHS, Lakhimpur two X-Ray machines installed in Ghilamara CHC. Out of these two one is functioning properly as physically verified by the Joint DHS, Lakhimpur. This machine is also under the supervision of Hospital Management Society. The Joint DHS, Lakhimpur reported that the Seimen's 100 MA- X-Ray machine is functioning since 2003 and the Wipro 60 MA was out of order since 2002. Steps taken to repair the machines under Annual Maintenance Contract with Seimen's Ltd.

OBSERVATIONS/RECOMMENDATIONS

2.3. The Committee observes that the machines were not functional since installation for long five years for want of three phase power line. The radiographer was also remained idle for more than five years from the date of his appointment. The Committee also observes that non functioning of X-Ray machines in both the CHCs for five to eight years depriving the people of that area from better treatment facilities is an offence. The Committee, therefore recommends that responsibility should be fixed and action should be taken against the erring officials and action

taken report may be submitted to the Committee within 30 days from the date of presentation of this report before the House.

2.3.1. The Committee expresses its concern that all the X-Ray machines were inoperative due to non-indenture and procurement of X-Ray films, fixer and developer. The Committee also feels that services of five radiographers utilised as additional hands in other health institutions instead of their specified institution resulted an unproductive expenditure. The Committee, therefore recommends that responsibility should be fixed to the erring officials and action should be taken against those officials for whose fault the machines were kept idle since installation. Action taken in this regard may be intimated to the Committee within 30 days from the date of presentation of this report before the House.

2.3.2(a) The Committee discussed the para with the departmental representatives in its meetings held on 5.8.2005 and 29.8.2005 in Assam Legislative Assembly Secretariat Building at Dispur and the departmental representatives could not satisfy the Committee and therefore the Committee decided to make a visit to the scheme at Silchar Medical College. Accordingly, the Committee arrived at Silchar Circuit House and discussed the matter with departmental representative along with the Superintendent and Principal of Silchar Medical College. During the course of discussion, the Committee was informed that the warranty of the machine was valid upto 30 November, 1990 and as the warranty period of the machine was already over, the distributor of the machine damed advance payment of Rs. 6256.00 towards travelling expenses and incidental charges of their service Engineer for inspection of the defective machine. Accordingly, the Principal of the College submitted a proposal to the then Director, Medical Education, Assam for sanctioning of the same but no sanction had been made by the then Director, Medical Education, Assam. The Committee has observed that the release of full payment to the distributor before fulfillment of condition relating to training and not rectifying the defects of the equipments resulted in expenditure of Rs. 5.52 lakh on purchase and installation of the machine is already unproductive.

2.3.3(b) The Committee, therefore recommends that the then Director, Medical Education, Assam should be brought into book and responsibility should be fixed against him for whose negligence the machine worth at Rs. 5.52 lakh become useless depriving the students

and patients of the College Hospital for a period of more than five years. Action taken by the Government in this regard should be intimated to the Committee within 60 days from the date of presentation of this report before the House.

2.3.4(a) Having heard the deposition of the departmental representatives the Committee observes that for want of three phase power connection before installation of X-Ray machines at Ghilamara CHC the X-Ray machines could not be operated for three years after its installation. The Joint DHS, Lakhimpur and Medical & Health Officer-I Ghilamara did not taken up the matter with the Government through they made the payment to the ASEB for providing high transmission line. Even no alternative arrangement was also made by the departmental Officer for operating the machine for which resulted in unproductive expenditure.

2.3.5(b) The Committee, therefore recommends that the officials who were involved in this regard should be brought into book and action should be taken against them. Action taken report may be submitted to the Committee with 30 days from that date of presentation of this report before the House.

Short realisation of rent for hospital cabins**(Audit para 3.13/CAG (Civil)/1995-96)**

2.4. The audit has pointed out that a test check (December 1995) of the accounts of the Joint Director of Health Services, Golaghat revealed that rent for the cabin continued to be realised at Rs. 10.50 per day from private persons instead of Rs. 50.00 per day in respect of 10 cabins of the Golaghat District Hospital from 20 June 1994 to 30 November 1995 resulting in short realisation of cabin charge of Rs. 1.84 lakhs for 4664 days actually occupied. In reply to audit observation the Superintendent, District Hospital, Golaghat, inter alia, stated (December 1995) that the revised rate could not be enforced due to non-receipt of the Government order. The Joint Director of Health Services stated that the order was received by him in December 1995. The Director of Health Services to whom the matter was referred to (October 1996 and November 1996) failed to furnish any evidence of circulation of Government order dated 20th June 1994 to the hospital. Thus failure of the department to ensure circulation of revised rate of cabin rent promptly after issue of Government order resulted in short realisation of cabin charge.

2.5. The Department in their written reply has stated that Government of Assam issued circular Vide No. HLB.536/92/pt./39 dated 20.6.94 for realization of revised cabin charges and effected through out the State. However, the revised rate was effected only from 8.1.96 in Golaghat Civil Hospital. Reportedly the authority in Golaghat received the circular late hence, there was delay in implementation.

OBSERVATIONS/RECOMMENDATIONS

2.6. The Committee heard the deposition of the developmental representatives and observes that there was lack of communication between the Director of Health Services and Joint Director, Golaghat Civil Hospital. On humanitarian ground the Committee decided to drop the para with the stricture to the officers. So that such lapses will not repeat in future.

Defective cash handling in Ayurvedic College, Guwahati

(Audit para 3.14/CAG)(Civil)/ 1995-96)

2.7. The audit has pointed out that a test check (December 1995 and February 1996) of the accounts of the Principal Government Ayurvedic College, Guwahati disclosed that irregularities in cash management were persisting for the last several years and physical verification of cash and analysis of cash balance had not been done at all during January 1987 to February 1988 and May 1992 to December 1995. It was also noticed that the cash book of the college was not closed for the months of October 1995 to December 1995. However, at the instance of audit, the Principal carried out physical verification of cash on 30 December 1995 and found the actual balance of Rs. 3.81 lakhs against the correct cash balance of Rs. 12.70 lakhs as worked out by audit and accepted by the Principal. This led to shortage of cash of Rs. 8.89 lakhs. Further scrutiny of records in February 1996 revealed that discrepancy was reportedly due to the following reasons.

- | | |
|--|---------------------------------|
| (i) Unauthorised removal of cash from chest for expenditure on various activities of the college and for miscellaneous expenditure not reflected in the cash book. | - Rs. 8.41 lakhs |
| (ii) Miscellaneous receipt not accounted for in the cash book. | (-) Rs. 0.85 lakh |
| (iii) Actual misappropriation of cash since no details of expenditure & Vauchers furnished.. | Rs.1.33 lakhs
Rs. 8.89 lakhs |

Out of the alleged expenditure of Rs.8.41 lakhs, not reflected in cash book, Rs. 2.90 lakhs could not be accepted in audit. Defective maintenance of cash book, improper physical verification of cash and failure to analyse the closing cash balance for the last 11 years had resulted in the discrepancy of Rs. 4.23 lakhs (Rs.2.90 lakhs plus Rs. 1.33 lakhs) in the cash book. On this being pointed out, the Finance Deptt. instructed the Director of Financial Inspection, Assam (April 1996) to make a detailed enquiry and initiate disciplinary action against the eurrent officials. Further development in the matter was awaited (September 1996).

2.8. The Department in their written reply has stated that Departmental proceedings was drawn up against Dr. R.C. Bhattacharjee (Retd.) Principal, Government Ayurvedic College, Guwahati vide letter No. HLB. 79/96/72 dated 29.6.96 for mis-appropriation of an amount of

Rs. 8,67,825.51 lakhs. The departmental proceedings drawn up against Dr. Bhattacharjee was concluded by the Government with inflicting of penalties (Order No. HLB. 79/96/321 dated 5.2.2002) (a) mis-appropriated amount shall be recovered from the amount payable to him by Govt. as pensionary benefit as per existing rules, (b) if that the amount can not be recovered fully from the amount payable to him as pensionary benefit, the difference amount will be realised from the arrear pay payable to him during the period of suspension. Further in the event of non-recovery of mis-appropriated amount as mentioned in (a) & (b) above Bakijai proceedings shall be initiated. The Director of Medical Education, Assam has been requested vide this office No. HLB. 79/96/341 dated 16.2.2005 to calculate the amount of arrear pay for the period of his suspension with affect from 11.6.97 to 29.4.98. So as to adjust the mis-appropriation Government money for the tune of Rs.8,67,825.51. Necessary action will be taken to recovery the amount after receipt of the communication from DME, Assam.

OBSERVATIONS/RECOMMENDATIONS

2.9. The Committee after hearing the submission of the departmental representatives recommends that the erring officials should be brought into book and disciplinary action should be taken against him. The mis-appropriated amount should be recovered from him and deposit the same to the Government exchequer. Action taken in this regard should be intimated to the Committee within 30 days from the date of presentation of this report before the House.

Unauthorised and avoidable purchase of dressing materials.

(Audit para 3.15/CAG(Civil)1995-96)

2.10 The audit has pointed out that a test check (December 1995) of the records of the Joint Director of Health Services (Joint DHS) Kokrajhar revealed that against the sanction accorded by DHS for purchase of 2400 thans (December 1993:2000 thans, February 1995 : 400 thans) of bandage cloth (50 centimetresX16 metres) the Joint DHS purchased 8400 thans (December 1993 : 3000 thans, February 1995 : 5400 thans) bandage cloth at a cost of Rs. 4.51 lakhs for general use in hospitals despite having a stock of 2145 thans. Against 10,545 thans of bandage cloth (2145 thans +8400 thans) 5650 thans were utilised (1993-94 1485 thans, 1994-95 : 1650 thans, 1995-96 : 2515 thans) leaving an unutilised balance of 4895 thans at the end of 1995-96. The purchase of 6000 thans of bandage cloth (cost : Rs. 3.22 lakhs) in excess of sanctioned quantity was not only irregular but also not justified as the annual average requirement was only 1883 thans. In reply to audit query the Joint DHS Kokrajhar admitting the excess purchase of dressing materials had stated (June 1996) that purchase of dressing materials in excess of sanction accorded by DHS had been made to meet any emergent requirement in anticipation of approval by DHS. Approval by DHS for excess purchase was, however, awaited (May 1996). The reply was not tenable as a quantity of bandage cloth remained unutilised.

2.11 The Department in their written reply has stated that as recorded by Joint DHS, Kokrajhar surgical dressing materials had to be purchased in excess against the sanctioned quantity due to the prevailing situation during the period. This was necessitated in view of the serious of ethnic violences occurred during 1993-96 and 1996-97 in the district for which large number of injured patients had to be treated. Even a good number of camp inmates affected due to ethnic violence also had to be treated regularly. Hence, the excess procurement had to be made in addition to regular requirement.

OBSERVATIONS/RECOMMENDATIONS

2.12 The Committee observes that if there was requirement for purchasing these materials it should have not been in such a large scale which was beyond his capacity before purchasing of the materials, the matter should have been placed before his higher authority. The Committee

desires to know whether the materials purchases in 1995-96 had been utilised properly and where from the fund had been received and asked the Department to furnish a detail report to the Committee within 30 days from the date of presentation of this report before the House.

Irregular expenditure on purchase of refrigerators**(Audit para 3.16/CAG(Civil)/1995-96)**

2.13. The audit has pointed out that after scrutiny by audit (May 1995 and November 1995) and further information obtained (April and May 1996) from DME revealed that although the Company's prevailing consumer price for 165 litres capacity refrigerator 'Cold Gold' model with puf in the local market was Rs. 8400.09 upto 25 July 1995 and from 26 July 1995 Rs. 9930.43 each inclusive of all taxes, DME purchased (between march 1995 and August 1995) 37 refrigerators of the same model costing Rs. 6.69 lakhs (30 at Rs. 18143.00 and 7 at Rs. 17,824.80 each). Records showed that the State Medical Store Purchase Committee constituted under the order (April 1992) of the Government with the DME himself as Chairman had approved this very high rate for purchase of the refrigerator after examining tender documents, comparative statments etc. The Committee's minutes had not indicate the reasons for approving such high rate. Thus, purchase of 37 refrigerators by the DME, 7 in March 1995 at Rs. 17,824.80 each and 30 in August 1995 at Rs. 18143.009 each, without verifying the reasonableness of rates approved with reference to the company's price of Rs. 8400.09 and Rs. 9930.43 each respectively was highly irregular and resulted in additional cost to the Government ameunting to Rs. 3.12 lakhs calculated at the difference in prices of refrigerator.

2.14. The Department in their written reply has stated that the tender to purchase Refrigerator was invited through wide publicity in the News Papers. The duly constituted Purchase Committee as per rates quoted by the tenderers approved the rate of the Refrigerator and the decision of the Purchase Committee is binding on the Department as per Rule 10 of the A.P.S.P. Act, 1989.

OBSERVATIONS/RECOMMENDATIONS

2.15 The Committee observes that the purchase of 37 refrigerators by the then DME 7 at Rs. 17,428.80 and 30 at Rs. 18143.00 each without verifying the reasonable of rates approved with reference to the Company's price of Rs. 8400.09 and Rs. 9930.43 each respectively was highly irregular. The Committee can not understand why the purchase was made in such a high rate than the Company's rate. If the purchase was made through the purchase Committee's approved rate, a report may be submitted to the Committee showing the purchase rate, market rate, Company's price at that period and the name of the Chairman and Members of the purchase Committee within 30 days from the date of presentation of this report before the House.

Idle machinery in Silchar Medical College Hospital**(audit para 3.17/CAG(Civil)/1995-96)**

2.16 The Audit has pointed out that in order to provide better medical treatment facilities one compact X-Ray image intensifier television set and one multipurpose ultra sound scanning machine were installed in Silchar Medical College Hospital (SMCH), Silchar at a cost Rs. 16.56 lakhs in June 1989 and March 1989 respectively. Both the machines become out of order from August 1991 and June 1992 owing to major defects. For repairing of the above machines a proforma invoice for Rs. 1.59 lakhs obtained from the manufacturer was forwarded (September 1992) by the Principal-cum-Chief Superintendent, SMCH to the Director of Medical Education (DME), Assam for sanction. The DME in turn, submitted (November 1995) a proposal to the Government for sanction of Rs. 14,000 as advance payment to the authorised dealer for inspection and submission of revised estimates for repair of the machines. Further, development in the matter was awaited (March 1996). Failure of the department to repair the two machines laying out of order since August 1991 and June 1992 for want of required funds resulted in idle outlay of Rs. 16.56 lakhs besides non-availability of the medical facilities to the patients.

2.17 The Department in their written reply has stated that steps have been taken to repair the Compact X-Ray Image Intensifier Television Set with an estimated cost of Rs. 3.15 lakhs. A New Ultrasound machine in the buy back deal arranged by Director, Assam Area Project, replaced the Old Ultrasound machine. The machine was installed on 28.6.01 and functioning till date. Considering the seriousness of the matter and to avoid maintenance problems now we have been awarding contract to supply machines/equipments taking Annual Maintenance Contract and Comprehensive Annual Maintenance Contract with 95% up time guarantee (Seven days a week) or imposing fine to extend of daily revenue loss by Hospitals as a pre-condition of contract.

OBSERVATIONS/RECOMMENDATIONS

2.18 The Committee as per decision of the meeting held on 29-8-2005 at Assembly Building, Dispur arrived Silchar Circuit House on 30th September, 2005 and discussed the para throughly with the departmental representatives, Superintendent and Principal of Silchar Medical College. During the course of discussion, the Committee learns that the Ultrasound machine was out of order since its installation the then Director, Medical Education did not pay interest to repair the machine for which the machine worth more than 16 lakhs was laying use lessy. So the Committee is unsatisfied with the department. Hence, it has directed the department to make an enquiry regarding into the matter and to furnish a report to the Committee within 30 days from the date of presentation of this report before the House.

**Extra expenditure on purchase of Dai's Kits
(Audit para 3.18/CAG (Civil/1995-96**

2.19 The audit has pointed out that Director of Health Services, Family Welfare (DHS,FW) Assam invited (January, 1994) tenders for purchase of Dai's Kits for distribution among the 1000 Dai trainees. In response, 4 local firms whose quotations were valid offered rates of Rs.939.00, Rs. 944.00, Rs.1350.00 and Rs.1877.00 (per Dai's Kit) respectively plus taxes as applicable. The departmental purchase committee, however, approved (March, 1994) different rate of Rs.1787.50 per kit which was recorded in the comparative statement as the negotiated rate. The reasons for not accepting the lowest rate and approving a negotiated rate substantially higher than the lowest rate were neither mentioned on record produced to audit nor clarified. Despite Government instructions (March, 1994) directing the DHS (FW) not to procure Dai's kits at an exorbitant price, the Government, for reasons not on record, conveyed (August, 1994) acceptance of the revised negotiated rate of Rs.1550.00 against Rs.1787.50 per kit plus taxes approved earlier. The DHS(FW) was also directed (November, 1994) by Government to place order with two firms, one of whom had offered the lowest rate of Rs.939.00 and the other (who had quoted the highest rate of Rs. 1877.00) for supply of 500 Dai's kits each at Rs.1550.00 per kit. The DHS(FW) procured (January, 1995) 874 Dai's Kits from the two firms and paid (July, 1995) Rs. 14.63 lakhs for the same at Rs.1550/- per kit plus 8 per cent Assam Finance Tax. Besides, records relating to distribution of any of the 874 Kits to trained (933)Dai's were not shown to audit as of September, 1995. Acceptance of inflated rate that bore no relation to the rates offered by the tenderers vitiated the process of inviting tenders and resulted in an extra expenditure of Rs.5.77 lakhs* being the difference of cost between negotiated rate (Rs.1550.00) and lowest tendered rate (Rs.939.00). Besides placing of order for 337 kits with a firm at a rate higher than its quoted rates resulted in unauthorised financial benefit to the firm.

2.20 The Department in their written reply has stated that for procurement of Dai's Kits Director of Health Services (FW) Assam called for quotation. Four (4) number of firms participated in the bid. The matter was placed before the Purchase Committee held on 3.3.94. As per minutes of the Purchase Committee it appears that out of the four firms three firms viz. M/S Pioneer Manufacturing (India) Pvt. Ltd., Guwahati, M/S

Citadel Pharmaceutical, Guwahati and M/S City Dressing, Guwahati did not quote the rates as per specification given in the tender. Only one firm M/S Associated Business Syndicate, Guwahati quoted rates for all the items of the Dai's Kits as per NIT specification. Since M/S Associated Business Syndicate quoted the price of Rs.1787.50 per kit the Purchase Committee negotiated the price and fixed the rate at Rs.1550.00 per Kit. The Director of Health Services (FW) Assam referred the matter of government approved the price fixed by the Purchase Board as per specifications of M/S Associated Business Syndicate and directed to procure the item as per approved specifications from both M/S Associated Business Syndicate and M/S City Dressings.

OBSERVATIONS/RECOMMENDATIONS

2.21. The Committee observes that the department did not follow the rules and procedure for procurement of Dai's and kits for distribution amongs the Dai trainees. The department has gone arbitrarily and awarded the order to the highest bidder depriving the lowest bidder. Further, the Committee also observes that the department went for negotiation with the highest bidder to supply it to a higher rate. The Committee, therefore recommends that a report may be submitted in details quoting the rates including the name of Chairman and Members of the Purchase Committee to the Committee within 30 days from the date of presentation of this report before the House.

**Irregular payment of grants-in-aid
(Audit para 6.13/CAG (Civil)/1995-96)**

2.22. The audit has pointed out that after scrutiny (March-May 1996) of records of the Director of Health Services revealed that Government sanctioned (March 1995) payment of grants-in-aid of Rs. 100.00 lakhs from the State plan budget of 1994-95 to a Non- Government Organisation (NGO) for construction of a treatment centre at Guwahati for Aids victims. The amount was drawn in March 1995 and was kept in the Civil Deposit. The amount was withdrawn (September 1995) and payment made (September 1995) to the NGO. No estimate or requirement from the NGO forming basis of sanction of grants, however, was made available to audit. On this being pointed out the department stated (June 1996) that no plan and estimate had been received by them and the matter had been referred to the Government. Further development in the matter was awaited (July 1996). Payment of grants without any plan and estimate was thus irregular as the release of grant was to be limited to the estimated cost.

2.23. The Department in their written reply has stated that Grants in aid given to "Missionaries of Charity" a Mother Teresa organisation was investigated and following document are collected -

1. Sanction order of Government letter No. Vide HLA.244/94/Pt./12-A dated Dispur, the 28th November, 1995 with concurrence of Finance Department.
2. Receipt of the amount i.e. One Crore by Mother Teresa on 15.9.95.
3. Utilisation Certificates forwarded by Missionaries of Charity.
4. Certified accounts for Rs.1,02,30,074.00 by Chartered Accountant.
5. Utilisation statement regarding the construction.

From the audited expenditure statement only certified by Chartered Accountant it appears that Missioneries of Charity utilized the amount for various construction works for setting up of AIDS Centre at Lankeswar, Jalukbari Namely "SHANTIDHAM- HOME FOR AIDS"

OBSERVATIONS/RECOMMENDATIONS

2.24 The Committee finds that utilization certificate was not submitted to the concerned department for what activities the fund was released to the N.G.O. The Committee desires to know whether the NGO has performed their duties particularly. The Committee therefore recommends that a detail report may be submitted including the original utilization certificate to the Committee within 15 days from the date of presentation of this report before the House.

ANNEXURE-I

The Members of the Sub-Committee 'B' of the Committee on Public Accounts (2003-2006)

Convenor :

1. Shri Dilip Kumar Saikia

Members :

2. Shri Gautam Bora
3. Shri Dharamsing Teron
4. Shri Dilder Rezza
5. Dr. Zoi Nath Sarmah
6. Shri Chandan Kumar Sarkar.